

SENATE BILL 3584

By Tate

AN ACT to amend Tennessee Code Annotated, Title 5;  
Title 6; Title 7 and Title 67, relative to taxes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 5, is amended by adding the following as a new, appropriately designated part:

**§ 67-5-2901.**

(a) Notwithstanding any provision of general or private law or charter provision to the contrary, if a payroll tax is levied on employers by any county having a population in excess of eight hundred thousand (800,000), according to the 2000 federal census or any subsequent such census, then the county legislative body must reduce the county property tax rate by at least ten percent (10%), and such reduced property tax rate shall remain effective for a period of not less than four (4) full tax years, provided the payroll tax remains in effect throughout such period.

(b) Notwithstanding any provision of general or private law or charter provision to the contrary, if a payroll tax is levied on employers by any municipality having a population in excess of six hundred fifty thousand (650,000), according to the 2000 federal census or any subsequent such census, then the municipal legislative body must reduce the municipal property tax rate by at least ten percent (10%), and such reduced property tax rate shall remain effective for a period of not less than four (4) full tax years, provided such payroll tax remains in effect throughout such period.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.